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SIPDIS

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TAGS: PREL TBIO KIPR EAID KHIV HR NATO

SUBJECT: AMBASSADOR'S DISCUSSION WITH NEW DEPUTY PRIME
MINISTER -- FROM HIV/AIDS TO NATO

Classified By: Ambassador Ralph Frank, reasons 1.5 (b and d)

Summary

¶11. (SBU) In his introductory meeting with Deputy Prime Minister and Minister of Health Andrija Hebrang, the Ambassador emphasized USG desire to help Croatia in the area of HIV/AIDS prevention and treatment, our appreciation for the support of the new government to ratify the Intellectual Property MOU, concern over delays faced by US companies registering drugs in Croatia, and the interest of U.S. companies in upgrading of Croatia's aging hospital infrastructure. Hebrang expressed his admiration for U.S. medicine, highlighted the "new" HDZ, and appealed for our support for Croatia's NATO bid. He promised to look into the drug registration issue, and flagged an "open issue" regarding the IP MOU. End Summary.

Affinity for U.S.

¶12. (U) On January 27, the Ambassador met with Deputy Prime Minister and Minister of Health Andrija Hebrang, accompanied by the Senior Commercial Counselor, USAID officer and a notetaker. The Ambassador congratulated Hebrang on being named Health Minister and one of only two Deputy Prime Ministers. He thanked Hebrang for his assistance to the U.S. Embassy shortly after September 11 (Hebrang, a radiologist, helped the Embassy access decontamination equipment after the anthrax attacks in the U.S.).

¶13. (U) Hebrang noted the importance of the U.S. to Croatia, and his own very positive personal experiences with the U.S. (Hebrang spent time in the U.S. as a visiting professor in 1988.) He believed the best place to learn medicine was in the U.S., and he asked that the Embassy facilitate training in the U.S. and university-to-university exchanges. Regarding the war on terrorism, Croatia was proud to have been part of the coalition and would continue to be a partner to the U.S.

HIV/AIDS -- Need for Political Leadership

¶14. (U) The Ambassador highlighted U.S. cooperation with Croatia in the health area. In addition to work in various public health areas with NGOs, the USG was the largest single donor to the Global Fund for AIDS, Tuberculosis and Malaria. Croatia has a two-year, \$3.3 million dollar agreement with the Fund. The Ambassador underscored the U.S.'s worldwide commitment to combatting AIDS. Experts believe that the next wave of the epidemic could be in Southeast Europe. While Croatia has a low incidence of HIV infection (about 0.02 percent), as a transit country, international experts were concerned that this number could rise. Political leadership was needed to strengthen primary prevention, to curb discrimination and stigmatization, and to boost cross-border cooperation and information exchange. The Ambassador urged Hebrang to use his position to speak publicly in support of HIV/AIDS victims and in favor of prevention programs.

¶15. (SBU) Hebrang recognized that, as an open country and a tourist destination, Croatia's HIV infection rate could increase. He was dedicated to education and prevention.

Pharmaceutical Issues

¶16. (SBU) The Ambassador expressed his appreciation for the Sanader government's commitment to ratify soon the 1998 MOU on Intellectual Property Rights. In response, Hebrang raised an "open issue" with respect to the MOU. He understood there was some question among Croatian drug producers about the period they could produce affected drugs after ratification of the MOU. The Ambassador said that we would be happy to clarify any technical questions once they were clearly identified.

¶17. (SBU) The Ambassador also called to Hebrang's attention

the unacceptably long registration periods U.S. pharmaceutical firms faced when trying to market their products in Croatia -- far in excess of the time limits established under Croatian law. The USG was hosting a regional conference on Pharmaceutical Regulation in Skopje in March, as part of our effort to help build capacity in the Croatian Drug Agency. Hebrang expressed his surprise about the registration delays and pledged to talk to the Drug Agency head about the issue.

18. (SBU) The Ambassador highlighted two health care projects about which U.S. companies had expressed interest -- a new hospital information system and outsourcing of services at a Zagreb hospital. The U.S. Trade and Development Agency had been approached by IBM to explore supporting a pilot project for the Hospital Information System. With the change in government, IBM had the impression that the project might be on hold or withdrawn.

19. (U) Hebrang explained that upgrading Croatia's hospitals -- most of which were over 40 years old -- and hospital systems were a high priority. Both projects that the Ambassador mentioned were going forward. Hebrang said U.S. companies would be welcomed in the health sector's rejuvenation.

NATO

110. (C) Hebrang bracketed the meeting with appeals for US support for Croatia's NATO bid. With Croatia a member neither of the EU nor of NATO, it was in a "Balkan hole." The Ambassador stressed that Croatia had to make real changes and reforms and appeared to have made a good start. FM Zuzul and Parliament Speaker Seks' trip to the U.S. had been positive. The "house cleaning" performed by the current HDZ leadership had been essential to its credibility. Hebrang echoed the importance of creating a "new HDZ."

Comment

111. (C) Hebrang was personable and open. As a former Minister of Health during the Tudjman era, he has been able to jump quickly and authoritatively into health care issues -- calling the former government to task for racking up arrears and debts to suppliers (contacts in and out of the government say his charges are probably well-founded). However, he definitely sees his role as much more than a Health Minister. As a senior member of the HDZ, Hebrang was rumored to be seeking a security or foreign affairs portfolio, but his penchant for rash statements, propensity to clash with President Mesic, and his defense of late ICTY-indictee General Bobetko put him at odds with many -- including the EU -- and with the modern, more moderate image of Sanader's HDZ. In recognition of his strength within the party and his ability to deliver votes, he was awarded one of the two deputy prime minister slots, in charge of economic issues. We have yet to see how Hebrang plans to manage this important portfolio, in which other ministers and advisors play major and perhaps overlapping roles.

FRANK

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